

Message Text

LIMITED OFFICIAL USE

PAGE 01 STATE 008118

21

ORIGIN EB-01

INFO OCT-01 ARA-01 ISO-00 EA-01 /004 R

66011

DRAFTED BY EB/CSB/BP:STEVEN R. PRUETT:BT

APPROVED BY EB/CSB/BP:HARVEY J. WINTER

EA/K:PMAYHEW

----- 100100

R 061815Z FEB 76

FM SECSTATE WASHDC

TO AMEMBASSY BRASILIA

INFO AMCONSUL RIO DE JANEIRO

LIMITED OFFICIAL USE STATE 008118

FOL REPEAT STATE 008118 SENT ACTION SEOUL JAN 13

QTE

LIMITED OFFICIAL USE STATE 008118

E.O. 11652: N/A

TAGS: BEXP, KS

SUBJECT: SUNKIST TRADEMARK AND TECHNICAL ASSISTANCE
PROBLEMS

REF: STATE 236687, OCTOBER 3, 1975

1. DEPARTMENT CONTACTED SUNKIST V. P. QUARLES ON JAN. 8
TO OBTAIN STATUS REPORT ON THEIR PROBLEMS WITH ROK
REGARDING PRODUCTION AND MARKETING OF SUNKIST ORANGE JUICE
IN KOREA UNDER SUNKIST TRADEMARK. QUARLES CONFIRMED THAT
HE HAD VISITED KOREA IN OCTOBER BUT REGRETTEED THAT VISIT
WAS UNSUCCESSFUL AND THAT NO PROGRESS HAS BEEN MADE IN
PERSUADING ROK TO ALLOW PROJECT TO GO FORWARD AS ORIGINALLY
CONCEIVED. DESPITE ROK'S ORIGINAL APPROVAL IN 1972,
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 STATE 008118

RECENT GOVERNMENT REGULATIONS PROHIBIT MARKETING OF ORANGE JUICE UNDER SUNKIST TRADEMARK AND ALLOW FOR IMPORT OF ORANGE JUICE CONCENTRATE ONLY IN QUANTITIES WHICH WILL BE BLENDED WITH 50 PERCENT LOCALLY-PRODUCED CONCENTRATE. QUARLES REPORTED THAT THESE REGULATIONS AND LACK OF VIABLE LOCAL CONCENTRATE HAS PRECLUDED BEGINNING OF COMMERCIAL OPERATIONS IN KOREA.

2. QUARLES STATED THAT SUNKIST HAD RECENTLY RECEIVED NOTICE THAT ROK WOULD BE WILLING TO CONSIDER A LUMP-SUM PAYMENT TO SUNKIST IN LIEU OF 2 PERCENT ROYALTY FOR USE OF TRADEMARK. QUARLES STATED THIS WOULD MOST LIKELY BE UNACCEPTABLE TO SUNKIST (DEPENDING ON SIZE OF LUMP-SUM PAYMENT) SINCE ROYALTY SCHEME WAS ORIGINALLY EXPECTED ONLY TO RECOUP COST OF TRANSFERRING TECHNOLOGY TO LOCAL PRODUCER, HAI TAI, AND NOT COST OF TECHNOLOGY ITSELF. SUNKIST ANTICIPATED RECOUPING ACTUAL TECHNOLOGY COSTS THROUGH PROFITABLE MARKETING OF JUICE CONCENTRATE AND FRESH ORANGES IN KOREA.

3. WHILE SYMPATHETIC TO KOREA'S RECENT BALANCE OF TRADE DIFFICULTIES, QUARLES IS OF THE OPINION THAT REGULATIONS AIMED AT REDUCING KOREA'S TRADE DEFICIT SHOULD NOT BE APPLIED RETROACTIVELY TO THE DETRIMENT OF EARLIER AGREEMENTS MADE IN GOOD FAITH AND AGREED TO (ALBEIT INFORMALLY) BY ROKG. QUARLES WOULD LIKE FOR USG TO INTERCEDE WITH THE ROK AND EXPLAIN BASIC UNFAIRNESS OF APPLYING CURRENT REGULATIONS RETROACTIVELY.

4. DEPARTMENT WOULD APPRECIATE EMBASSY'S COMMENTS AND SUGGESTIONS REGARDING QUARLES' REQUEST. KISSINGBR

UNQTE
SISCO

LIMITED OFFICIAL USE

NNN

*** Current Handling Restrictions *** n/a

*** Current Classification *** LIMITED OFFICIAL USE

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 13 JAN 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: morefirh
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976STATE008118
Document Source: CORE
Document Unique ID: 00
Drafter: STEVEN R. PRUETT:BT
Enclosure: n/a
Executive Order: n/a
Errors: n/a
Film Number: D760012-1121
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760193/aaaageik.tel
Line Count: 99
Locator: TEXT ON MICROFILM, TEXT ON-LINE
Office: ORIGIN EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 76 STATE 236687
Review Action: RELEASED, APPROVED
Review Authority: morefirh
Review Comment: n/a
Review Content Flags:
Review Date: 28 MAY 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <28 MAY 2004 by ifshinsr>; APPROVED <01 JUN 2004 by morefirh>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: <DBA CORRECTED> srp 970919
Subject: SUNKIST TRADEMARK AND TECHNICAL ASSISTANCE PROBLEMS
TAGS: BEXP, KS
To: SEOUL INFO RIO DE JANEIRO
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006